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25X1

COUNTRY USSR

REPORT

SUBJECT Soviet [] Statistics and
Economic Planning

DATE DISTR. 24 January 1958

25X1

NO. PAGES 1

REQUIREMENT
NO. RDDATE OF
INFO.

REFERENCES

25X1

PLACE &
DATE ACQ

25X1

SOURCE EVALUATIONS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE.

Attachment No. 1: "Organization of Statistics for Planning the National Economy in the USSR," by Dr. A.I. Yezhov, member, editorial board, Voprosy Ekonomiki.

12 MAR 1958

Attachment No. 2: "On Planning and Statistics," by A.F. Zelenovskiy, a deputy chairman of GOSPLAN, USSR.

Attachment No. 3: Two charts showing the organization of national and local planning and statistical agencies in the USSR as they functioned before June 1957.

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ORGANISATION OF STATISTICS FOR PLANNING
THE NATIONAL ECONOMY IN THE U.S.S.R.

BY
DR. A.I. YEZHOV

*Attachment
No. I*

In the U.S.S.R. statistics is one of the most important tools of the Government administration and planned direction of the national economy.

To direct the balanced development of public production, to compile and control the progress of the Government plans, to determine the demand and availability of the resources of the country, it is necessary to have reliable statistics of population, availability and utilisation of labour resources, volume of industrial and agricultural production, consumption of social product, national income and so on. These data are collected and processed by the Statistical agencies of the U.S.S.R. on the basis of statistical science.

The most important condition for getting reliable scientific data is the single direction of accounting and statistics in the U.S.S.R. For this purpose there is a system of Government statistical agencies in the U.S.S.R. This system is headed by the Central Statistical Board.

I. System of the Government Statistical Agencies:-

The Central Statistical Board is an agency of the Council of Ministers of the U.S.S.R. for the centralised direction of accounting and statistics in the U.S.S.R. The local agencies of the Central Statistical Board of the U.S.S.R. are the following:-

- a) Statistical Boards of Union Republics
- b) Statistical Boards of autonomous Republics, regions and districts as well as Moscow, Leningrad and the capitals of the Republics.
- c) Inspecting agencies of the Central Statistical Board of the U.S.S.R. in local administrative units and towns.

Local and town inspecting agencies of the Central Statistical Board are directly under Statistical Boards of the Union

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Republics, where there is no other administrative sub-division for regions, or Statistical Boards of the regions and District as well autonomous Republics. Statistical Boards of regions, Districts and autonomous Republics as well as of the capitals of the Republics are under the Statistical Boards of the Union Republics. Statistical Boards of Union Republics are under the direct control of the Central Statistical Board under the Council of Ministers of the U.S.S.R. Thus the organisation of the statistics in the U.S.S.R. is the following:-

- (1) Central Statistical Board under the Council of Ministers of U.S.S.R.
- (2) Statistical Boards of the Union Republics, Statistical Boards of the autonomous Republics, regions, districts, Moscow, Leningrad, capitals of the Union Republics.
- (3) Local and town inspecting agencies of the Central Statistical Board of the U.S.S.R.

The local or town inspecting agencies of the Central Statistical Board are headed by local or town inspectors appointed by the Director of the Statistical Board of the Union Republic (and not by the Directors of Statistical Boards of regions, districts and autonomous republics. The latter only give the suggestions about the candidates for this post). The Directors of Statistical Boards of regions, districts, Moscow, Leningrad and capitals of the republics are appointed by the Directors of the Central Statistical Board of the U.S.S.R. on recommendations of the Director of the Statistical Board of the Union Republic. Director of the Statistical Board of a Union Republic is appointed by the Director of the Central Statistical Board of the U.S.S.R. Let us see in detail the tasks, functions and structure of each of these agencies of the system of the Government statistics.

Central Statistical Board:- The main task of the Central Statistical Board of the U.S.S.R. is collection, processing, analysis and timely supply of reliable and scientific statistics

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to the Government showing the progress of the government plans, balances of the development of different industries, growth of the national economy and culture, growth of the national welfare, availability, distribution and utilisation of labour and material resources in the economy of the country. One of the important tasks of the Central Statistical Board is also submitting the recommendations on the basis of the analysis of the statistical data for removing the short-comings which exist in the national economy in order to utilize in a better way the resources for the fulfilment of the Plans.

According to the Statute of the Central Statistical Board and its local agencies which is approved by the Council of Ministers of the U.S.S.R., the Central Statistical Board of the U.S.S.R. performs the following tasks:-

- (1) Strengthens and improves accounting and statistics which are an important tool of the Government administration and planned direction of the development of the national economy of the U.S.S.R.
- (2) Develops and improves the methods of accounting and Statistics.
- (3) Controls the progress of the Government plans in all spheres of national economy and culture, technological progress, availability of material resources in the national economy of the U.S.S.R., the norms of consumption of fuel, electricity, raw materials and materials in the production and construction.
- (4) Organises accounting and control of the progress of the Government plans for deliveries and procurement of agricultural products as well as statistics of the yield of crops.
- (5) Compiles the balances of national economy and material balances, estimates national income and incomes and expenditures of the population.
- (6) Organises Censuses of population and material resources as well as enquiries and surveys of different types.
- (7) Periodically and timely ~~submits~~ necessary data of current statistics, censuses and surveys, balances of national economy as a whole and for different sectors as well as systematized data for the U.S.S.R. and foreign countries and other statistical material used for the preparation and control of the progress of the Government plans.

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- (8) Controls the state of accounting and reporting system and reliability of the reported data in Ministries, Departments, Offices, factories, projects, State Farms and collective farms.
- (9) Reduces and improves accounting and reporting system and prevents non-legitimate reporting.
- (10) Directs the mechanization of accounting: controls the progress of the plans and decisions of the Government in the field of the mechanization of accounting and calculating works, compiles plans of mechanization of accounting and calculating works together with the Ministries and Departments, participates in the works connected with the production of computing machines (the volume of production, types of machines and time for production).
- (11) Carries out statistical information by publication of summaries of the fulfillment of national plans of the development of national economy of the U.S.S.R., publishes statistical bulletins, statistical annual hand books and statistical text books, the magazine "Statistical news" as well as scientific and statistical literature.
- (12) Trains personnel of statisticians and ^{accountants} for the country.
- (13) Organises all Union Statistical Congresses and Conferences of accounting and statistical personnel, research workers in statistics which discuss theory and practice of statistical work and convenes meetings of statistical personnel of statistical agencies to discuss the matters connected with the improvement of statistical and economic work and better utilisation of advanced methods in the work.

The Director of Central Statistical Board for U.S.S.R. is appointed by the Council of Ministers of the U.S.S.R. The Director of the Central Statistical Board of the U.S.S.R. is a member of the Government of the U.S.S.R. The Director of the Central Statistical Board of the U.S.S.R. forms a collegium (Commission). The members of this collegium are, Director of the Central Statistical Board (Chairman of the collegium) his Deputies and some top officials of the Central Statistical Board. The members of the collegium are approved by the Council of Ministers of the U.S.S.R. on the recommendations of the Director of Central Statistical Board of the U.S.S.R. The collegium meets periodically one or two times a week. At the meetings it discusses the most important questions of practical guidance, methods of processing statistical

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data, summarises the main work which was done and discusses problems of the control of fulfilment of the decisions of the Government in statistics and its own decisions as well as the orders of the Director of the Central Statistical Board, the problems of enrolment of high officials, reports of the chiefs of the divisions and the departments of the Central Statistical Board and the Directors of Local Statistical Boards.

The present organisation of the Central Statistical Board is the following:-

(1) Department of Industrial Statistics which has the following divisions:-

- a) Coordination and Economic Division.
- b) Division of Heavy Industry Statistics.
- c) Division of Machine building Statistics.
- d) Division of Light Industries Statistics.
- e) Division of food and small industries statistics.
- f) Division of the Statistics of Minerals.
- g) Division of labour and primary cost statistics.

(2) Department of Agricultural Statistics which has the following divisions:-

- a) Coordination and Economic division
- b) Division of Agricultural and yield of crops statistics,
- c) Division of statistics of animal husbandry
- d) Division of agricultural products deliveries statistics
- e) Division of State farms statistics.

Besides the Central Statistical Board has the following divisions:

- a) Division of capital construction Statistics.
- b) Division of Transport and Communications Statistics.
- c) Division of Trade Statistics.
- d) Division of Housing and Public Utilities Statistics.
- e) Division of Population and public health statistics.
- f) Division of Statistics of culture
- g) Division of Finance Statistics
- h) Division for Studying economies of foreign countries.
- i) Division of rapid Statistics and statistical information.
- j) Division for coordination of statistics and statistical methods.
- k) Division of balances of the national economy.
- l) Division of labour and wages Statistics.
- m) Division of material and technical supply statistics,

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- n) Division of new technology, specialisation and cooperation Statistics.
- o) Division of statistics of the economy of Union Republics and location of productive forces.
- p) Division of family budgets of workers, employees and peasants.

The Central Statistical Board has also three self-sufficient in financial respect departments:

Government publishing house of statistical literature:- It has a publishing house in each republic (in the Russian Federal republic there are several publishing houses, in Moscow there are three publishing houses). This publishing house as well as other Government publishing houses, publish all statistical publications, hand books, scientific and popular books and also forms for all statistical reporting system of the industrial establishments, projects, offices and Ministries.

Department of training accounting personnel:- It has several scores of training centres which train or give refreshment courses for accountants and book keepers of factories, projects, collective farms and offices. They give short term training (from 6 months to 2 years).

The department for mechanisation of accounting has a number of machine calculating plants which carry out the work on the orders of the factories, offices and Ministries as well as directs the mechanisation of accounting in the U.S.S.R.

The Central Statistical Board has the central machine calculating station equipped with modern calculating machines and means of communication which receives and processes all the returns sent to the Central Statistical Board from the factories and local statistical agencies.

The Central Statistical Board has the Scientific and Methodological Council which consists of 25 members. The members of the Council are the best experts, Economists and Statisticians, academicians, a number of Professors in Statistics, representatives of Universities and colleges

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and research institutions, workers of the State Planning Commission of U.S.S.R. and a number of the committees of the Council of Ministers of U.S.S.R. as well as workers of the Central Statistical Board of the U.S.S.R.

According to its plan the scientific and methodological council develops and discusses problems of the statistical methods, programmes and instructions for the most important statistical work. For a preliminary discussion of the paper submitted to the Council by Divisions of the Central Statistical Board the scientific and methodological Council forms commissions under the Chairmanship of one of the members of the Council and with participation of members of the Council and representatives of Ministries and Departments concerned as well as of the agencies of the Government statistics. The Scientific and methodological Council gives its recommendations to the Director of the Central Statistical Board on the discussed problems.

About 80% of the personnel of the Central Statistical Board have special higher education (Graduates) and almost all other personnel (Statisticians and Junior Economists) have special training in schools (Diploma holders).

Local agencies of the Government Statistics:-

Statistical Boards of Union and autonomous republics, regions and districts are responsible for accounting and statistics in the republics, regions and districts. These Statistical Boards perform the following:

- a) carry out statistical work in accordance with the centralised plan and different instructions of the Central Statistical Board.
- b) Systematically control the fulfilment of government plans.
- c) Process, scrutinise statistical data which characterises the growth of the economy and culture in the republic, district and region.

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The Statistical Boards control the reporting and accounting system of the factories, projects, offices and Ministries. After the analysis of Statistics, Statistical Boards submit for the discussion to the Governments of the Republics and other local government agencies the questions connected with the development of the economy and culture of the republic, district and region.

Now beginning with June 1957 when many industrial and construction Ministries were abolished and economic councils (about 100) of administrative and economic regions were created in different regions for the direction of industry and construction the tasks of the local Government Statistics agencies greatly increased. Now all returns from industrial establishments and projects are collected by local statistical agencies (regional, district or Union/^{Republic} Statistical Boards where there is ^{no} sub-division into regions). For this each statistical board where ^{there} is an Economic Council has a machine calculating station equipped with modern calculating machines and means of communication. These machine calculating stations collect, check, process and tabulate all returns. The Statistical Boards submit summary reports (giving details and selecting certain factories and projects, industries, administrative divisions, concerns and centres) to the local Government, Planning Commission, Economic Council and Central Statistical Board of the U.S.S.R. The projects send one copy of their returns to their respective Economic Councils but these returns are not processed in the Economic Council and are used by their administrative (industrial) divisions for operational direction.

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Thus now centralisation of receiving and processing statistical returns is carried out for industry and construction in the agencies of Government statistics. In 1958 this will be also done in respect of some other sectors: for agriculture, trade, public health, education. Now agencies which are in charge of industries, construction, trade and agriculture and so on will not process the returns received from the factories, projects, State farms, offices and will receive processed data from the agencies of Government statistics in the necessary form. The centralisation of the statistical reporting system will allow to reduce the volume and improve the quality of reporting, diminish the accounting personnel, give the possibility to carry out by machines calculating stations an additional processing of primary returns to carry out more deep study and improve the planning of statistical economy and culture as well as to solve scientific problems of the development of economy and develop statistical theory.

The organisation of local statistical authorities is roughly the following:

In the statistical Boards of the Union Republics (Regions, or Districts) there are the following divisions (sectors): coordination division, industrial statistics division, division of material and technical supply statistics, division of transport and communications statistics, division of agricultural statistics, division of statistics of delivery of agriculture products, division of capital construction statistics, division of housing and public utilities statistics, division of trade statistics, division of population statistics, division of statistics on public health and culture, division of statistics of family budgets of workers, employees and farmers.

From 35 to 50 per cent of the personnel of the statistical boards are graduates.

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In each administrative geographic unit or town, there is a local (town) inspecting agency of the Central Statistical Board of ^{the} USSR. This inspecting agency now has a staff from 2 to 4 persons: a local inspector, an economist-statistician, one travelling inspector, who visits collective farms, village councils, schools, hospitals and other offices. After the centralisation of the statistical reporting system in agriculture, trade and other branches in 1958, the personnel of the local inspecting agencies will probably increase but at the same time there will be decrease of personnel in other departments. Now about 35% local inspectors have special higher education (graduates). The rest were trained in special schools (Diploma holders).

The local inspecting agencies of the Central Statistical Board carry out the work established by the centralised plan of the statistical work and also on instructions given by the Central Statistical Board, Statistical Boards of Republics, regions and districts. Local or Town Inspectors of the Central Statistical Board of the USSR regularly control (inspect) the work in reporting statistics and the quality of returns in divisions of local or town authorities (in the division of education, in the division of public health etc.) and in other rural and urban offices, collective farms, machine and tractor stations, factories, projects and offices. They find out and to remove illegitimate returns.

The most important responsibility of the agencies of the Central Statistical Board is providing the reliability of the statistics and the strict fulfilment of the organisational plans of statistical works on the basis of uniform principles and uniform methods. Local administrative agencies must assist the agencies of the Central Statistical Board in providing reliable statistical data.

Each factory, each office, each organisation, department and ministry has certain administrative cells; statistical divisions, sectors or units for collection and processing of

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statistics. As a rule they are in the frame work of the Planning agencies of factories, offices or Ministries. This provides close contact between planning and statistical work and utilisation of statistics for the control of the progress of the plan.

The statistical agencies of the factories, projects, offices and Ministries carry out statistical work only within their own factory, office, Ministry or department. That is why they are called the agencies of departmental statistics. Ministries and departments are responsible for their work and they receive all necessary information from them. Departmental statistics in administrative respect is completely under the department but in the respect of methods it is directed by the Central Statistical Board of the U.S.S.R. Through the head of the department, Central Statistical Board of the U.S.S.R. sends directives and instructions for reporting and accounting to the statistical division of the department which is responsible to inform about them the lower levels and also control their exact fulfilment. Local agencies of government statistics receive the same instructions and directives from the Central Statistical Board which gives a possibility for the system of the Central Statistical Board to help the departmental statistics.

Local agencies of the Central Statistical Board as it was shown above control factories, projects, offices and Ministries in respect of correctness of accounting fullfilment of instructions and directives relating to reporting and returns and give proposals to the Director of the Factory or Chief of the office for removing the shortcomings in the accounting and also inform the Central Statistical Board about this.

Besides, Central Statistical Board of the USSR often discusses the most important problems of collection of statistics, drafts of the new forms of returns, drafts of new instructions and changes in the plan of the statistical work etc. with the representatives of the departmental statistics.

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II. COLLECTION AND PROCESSING OF STATISTICAL DATA

Reporting system:

The main form of collection of the statistical data in the USSR is collection of returns from factories, offices and organisations. The reporting system is a certain system of indicators which characterise the results of the work of the factories, offices or organisations for certain period of time. Each return is signed by the persons who are responsible for the reporting (the Director of the factory, chief book keeper, chief of planning division etc.).

In the USSR, all the factories, offices and organisations must send the returns which are established for them by the higher authority as well as by the agencies of the government statistics. The procedure of sending returns (forms, intervals and destination) is established by the Government of the USSR or on its behalf by the Central Statistical Board.

In the USSR the reporting system is divided in two categories:

- (i) National Government reporting system; and
- (ii) Inter-departmental reporting system.

The National Government reporting system is the reporting system which has the indicators which characterise the progress of the government plans i.e. which is intended for the control of the progress of the plan. This type of the reporting system is obligatory for all factories, organisations, Ministries and departments. On the basis of this reporting system, Ministries are obliged to compile summary reports and send them in the Central Statistical Board. The Central Statistical Board in its turn after corresponding check and processing presents summary results to the Government and the State Planning Commission of the USSR.

Inter-Departmental Reporting System: is the reporting system used by the ministries for its operational needs and it does not send returns to the Central Statistical Board. This is

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data mainly on technical matters. The returns about progress of the plan in production, number of personnel, wages and so on is related to the National Government Reporting System as well as the returns on other similar economic indicators the targets for which are shown in the Government plan. Returns about the results of a chemical analysis of melted metal, about the work of special equipment and similar technical matters are in the scope of the inter-departmental reporting system.

The draft forms of the National Government Reporting System are prepared by the Central Statistical Board, discussed with the ministries, agreed with the State Planning Commission of the USSR and approved by the Council of Ministers of the USSR or on its behalf by the Central Statistical Board. Central Statistical Board has powers to reduce the forms of government reporting and remove certain indicators or replace one indicator by the other without increasing the total number of indicators in the forms. It also can repeal certain forms as a whole. However if there is a necessity to widen existing forms of a return i.e. to include additional indicators or introduce new forms which do not exist it can be done only with the approval of the Government. Draft forms of the Inter-departmental reporting are prepared by ministries and sent in the Central Statistical Board for study and approval. The Central Statistical Board may disagree with the proposal of the ministries if it finds the form unnecessary. The Central Statistical Board does not approve or approves it in the shape which the Central Statistical Board considers necessary i.e. it may delete certain unnecessary indicators. Thus the forms of national government reporting are approved either by the Government of USSR or on its behalf by the Central Statistical Board of the USSR. Forms of the inter-departmental reporting ^{which not} are approved by the Central Statistical Board of the USSR ~~are~~ considered illegitimate and should be immediately removed. The factories are strictly prohibited to fill such

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illegitimate forms of reporting irrespective of the authority who demands the data according to such illegitimate forms. Officials who demand these data according to illegitimate forms are punished in administrative way. The introduction of such rigid procedure of the approval of returns is dictated by the necessity to prevent the increase of reporting, decrease unnecessary cost, decrease the accounting personnel and the load of engineering and technical personnel of factories with unnecessary clerical work diverting them from their direct business in management of the factory. But the officials of ministries have a great desire to get from the factories a great number of different data to know about minute details of the life of the factory. That is why the Central Statistical Board has big disputes with the officials of ministries and Central departments at discussions of draft forms of the inter-departmental reporting system and attempts to prevent them from the desire to increase the volume of reports and to decrease their reporting system, and on the contrary the Central Statistical Board sometimes has to prove for a long time the same officials of the ministries and central departments about the necessity of introducing additional indicators in the national government reporting system which is necessary for promoting the control of the progress of the government plan.

Now with the re-organisation of the administration of industry and construction i.e. with the abolishment of industrial and construction ministries and with the creation of regional agencies of administration of industry and construction (Economic Councils), the Central Statistical Board on behalf of the government greatly reduced the number of returns, especially many forms of reports because there is no need for such reports now with the dismissal of these ministries. As a result of this revision of the reporting system the Central Statistical Board established the national minimum of the indicators. Government of the USSR gave to the local authorities of the Central Statistical Board ^{Powers} to introduce additional returns in accordance with local conditions and needs

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but without increase of the established national minimum of the indicators. Each proposal about increase of the reporting system is studied in detail.

Each form of ^{the} reports has the following obligatory information:

Name of the form giving the subject of the report (e.g. report about progress of the plan of the production), number and date of approval of the form by the Central Statistical Board of the USSR; the period for which the form is given (e.g. monthly), or the date to which the reporting data correspond (e.g. on October 1st) the established date of sending of the form; the time lag; the addressee to whom this form is submitted; number or code of this form; the name of the factory or office which sends the form; the name of the ministry; department; concern which are responsible for the factory or office sending the form; the location and address of the office or factory sending the form; the position of the officials who sign the form and responsible for the correctness of its filling.

The context of the report and its programme are of course determined by the nature of the process, information about which is given in the report. But each report has obligatory the following indicators: "according to Plan" and "actually". Depending upon the regularity of planning, i.e. how detailed is the planning, monthly plans, quarterly plans or annual plans, the form carries a note "according to plan for the reported month" or "according to the plan for the quarter" or "according to the plan for the year". In some cases e.g. in the report about production all these three indicators of the plan are shown.

The data about actual fulfilment of the plan are given usually for the reporting period (for example for the month or the period from the beginning of the quarter) for the period from the beginning of the year, for the corresponding periods of the last year (for the corresponding month, the corresponding quarter, the corresponding period from the beginning of the year). The

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data about actual fulfilment for the reporting period are necessary for finding out the degree of the fulfilment of the plan and data for the corresponding period of the last year are necessary for determining the rates of growth. The rates of growth for a certain factory, of course, might be found without the indicators and the information for the corresponding period of the last year. For this it is possible to take the report which was sent last year and to compare the reported data from the report of this year. However, this is impossible for summary reports of concerns, departments, Ministries, that is summary reports of the agencies uniting several factories. In this case during the year changes take place in the composition of these agencies: the factories are given from one concern to the other, from one ministry to the other. In order to provide comparability of the summary reports for the current year with the corresponding data of the last year, it is necessary to show in this summary report e.g. of the Ministry the data for the last year for the same factories for which the information of the last year was given. It is easily done if the report of the factory shows the actual fulfilment as far as the reporting period of the current year is concerned as well as the corresponding period of the last year. Besides the availability of the data for the reporting period and for the last year in the same report facilitates the analysis of the data. By the mode of submitting returns reporting is divided into telegraph and mail reporting.

In order to reduce the cost of sending wires and to reduce the work of telegraph operators and the load of the telegraph, the returns sent by wire are usually coded, e.g. the name of production are coded by figures, for example, coal 01, steel 05, footwear 28 etc. In order to prevent the increase of reporting the forms of the telegraph returns are also approved by the Central Statistical Board of the U.S.S.R.

In accordance with the intervals of the reporting, the reporting is sub-divided into daily, 5 daily, 10 daily, monthly,

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quarterly, 6 monthly and yearly.

The daily returns give a limited number of indicators mainly on production of the most important industrial products (coal, oil, metals, electricity and some others), loading of wagons by railways etc. The shorter the reporting period, the simpler is the programme of reporting and fewer indicators are used.

The organisation of reporting demands that the factories, offices, Ministries should know: what are the returns, whom they are sent, in what intervals. In order to provide this, a special list of forms of reporting is prepared. It is a list which contains the following information: name and number of the form, mode of sending (by mail or by telegraph), who sends the form (factory, concern, department etc.), to whom the return is sent, for what period, date of sending. This list of reports for each Ministry and department is approved by the Council of Ministers of the U.S.S.R., Ministries and departments are not allowed to increase this list or include in the list forms of report without permission of the Government.

We already spoke about statistical reporting system. Factories, projects, offices and organisations have also book-keeping accounting system and they have also the system of book-keeping returns. Book-keeping returns as well as operational, technical and statistical returns serve the same purpose: to direct the national economy, the purpose of its planning and they are inter-connected in the single system of the accounting of national economy. The main role in this system is played by statistics. Only statistics can with all fullness to characterise the conditions of economy and culture in the country, to control the progress of ^{the} government plan for the whole national economy, to supply to planning authorities with necessary data for the preparation of new plans. The book-keeping system meets the requirements of operational management of ^{the} work of factories, offices and organisations as well as the requirements of accounting

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which is summarised by statistics for the needs of the Government Administration and Planning for the whole country. In other words the book-keeping system also carries out an order of statistics and it should be also organised on the statistical lines.

Because the book-keeping system is primarily used for the control of the financial activity of a factory, office and so on, the methodological guidance of it in the U.S.S.R. is carried out by Ministry of Finance of the USSR. The Finance Ministry carries out this methodological guidance of the book-keeping system in complete contact with the Central Statistical Board of the USSR because it is a national agency which is responsible for the accounting system in the USSR. The Finance Ministry of the USSR approves after agreement with the Central Statistical Board of the USSR the model plans of bills, the model forms of book-keeping and returns as well as instructions for their application. The forms of the annual reports of the factories and offices which contain book-keeping and statistical indicators are approved by the Central Statistical Board of the USSR and Finance Ministry of the USSR together. Similarly, when the Central Statistical Board of the USSR approves some forms of the statistical accounting system containing finance indicators e.g. reports about price cost of the products, reports about input expenditures, these forms are agreed with the Ministry of Finance of the USSR. This contact of the Central Statistical Board of the USSR and Finance Ministry of the USSR in the approval of the forms of reporting allows factories and offices to organise primary accounting in such a way that it serves at the same time the purpose of book keeping and statistics.

The primary accounting (primary systematic notes) is carried out on the basis of the primary documents. Central Statistical Board and Finance Ministry of the USSR on behalf of the Government of the USSR after agreement with the State Planning Commission of the USSR worked out model forms of primary documents. On the

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basis of this model forms taking into consideration the peculiarities of the industry Ministries approve the forms of primary documents for their systems.

Instructions and directives are of great value for correct accounting and correct compiling the returns. The correct organisation of statistics demands uniform understanding of the indicators by all the factories and offices. The uniform methods of getting the indicators of the plan and statistics are of special importance. If in preparing the plan the same indicators are understood in one way and statistics understands them in another way there will be no comparability of the data of statistics with the targets of the plan and it will be impossible to determine the fulfilment of the plan. That is why in the USSR while preparing instructions, directions about methods of the preparation of the plans as well as for reporting system there is a close contact between the Central Statistical Board of the USSR and the State Planning Commission of the USSR e.g. Central Statistical Board and State Planning Commission together approved instructions for planning, accounting and calculation of the primary cost of industrial products and construction. The Planning Commission of the USSR agrees with the Central Statistical Board the directives about methods which are adopted by it for the preparation of the National plan, and Central Statistical Board obligatory agrees with the Planning Commission instructions for accounting the progress of the plan, the production of labour and other important branches of statistics.

Accuracy and reliability of statistical data in the USSR is provided by different agencies by the organisation of reporting in such a way that one indicator is connected with another indicator and thus they are controlled by each other (e.g. the information about production might be controlled by the information about supply(load, delivery of the products); Using these methods of accounting which provide the accuracy of reporting data (e.g. the volume of completed work at a project is fixed by the act prepared by the

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contractor and the user together and checked on sample basis by the bank which gives money), by briefing conferences with the accounting personnel; by sample surveys and by the control inspection of factories, offices, Ministries by the personnel of the Government Statistics agencies. The flow of the national Government returns may be seen in Statement I.

Thus, before the re-organisation of administration of industry and construction the returns came by two flows through Ministries and through the system of Central Statistical Board of the U.S.S.R. The Statistical Boards of regions and districts (or Union Republics which had no sub-division of regions or districts) had only the basic reports and the whole mass of returns from the factories which are much greater than the returns which came to the agencies of the Central Statistical Board was directed to the Ministries. The local agencies of statistics send their summary reports to the local administrative agencies only for the factories which are responsible to this local government bodies, for example the Council of Ministers of the Union Republics did not receive from the statistical board of the republic a summary report for the factories which were responsible to All-Union Ministries.

After the re-organisation of administration of industry and construction the flow of returns has the form shown in Statement II. Now as we see that all returns from factories and projects have a single flow through the agencies of government statistics and all local government and planning bodies receive returns about all factories and projects which are within their geographical territory.

Intervals of reporting

(1) Daily reporting and 10 days reporting about progress of the plan of production was received previously by Ministries and now it is submitted directly from the factories to the Central Statistical Board with the time-lag of two days or for 10 days or daily reporting (e.g. for the first 10 days on the 12 and on the 22 for the second 10 days of the month) and on the day of its

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arrival it is processed, tabulated and submitted to the Council of Ministers of the USSR and to the State Planning Commission of the USSR. In the 3 or 10 days report there are data which show the accumulated figures for the period beginning from the beginning of the month, the report for the 3rd 10 days of the month is practically preliminary month report.

(2) On the 8th of each month (i.e. in 8 days after the completion of the months for which the report is given) the Central Statistical Board of USSR receives complete returns by telegraph about progress of the plan of industrial production in physical terms and in financial terms (total production), about fulfilment of the plan of capital investment, putting into operation completed industrial and other projects as well as housing, about fulfilment of the plan for trade, railway and inland water transport, certain other industries. Labour force group in industry and the productivity of labour and a number of other indicators. All these returns after corresponding check are tabulated by the Central Machine Calculating Station and on the 10th or 11th of each month a monthly report for all these indicators is submitted by the Central Statistical Board to the Government of the USSR and State Planning Commission of the U.S.S.R. In Union Republics such reports are received by the Council of Ministers, Planning Commission and economic councils from Statistical Boards of the Republic 3 days earlier e.g. on the 7th or 8th which follows after the month for which the report is submitted.

(3) For other indicators because the returns on them are sent by the factories by mail the summary reports are submitted later. For example a summary report for labour, prime cost and other indicators for all branches of national economy is submitted by the Central Statistical Board to the State Planning Commission of the USSR, with the time-lag in 30 - 40 days (if the returns are collected quarterly).

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- (4) Every year with the time-lag in 23 - 27 days the Central Statistical Board of the USSR publishes in the newspapers detailed summary progress of the annual plan for the last six months. These reports are also published by local statistical agencies about the progress of the plan in their respective republics, regions or districts. In order to correct mistakes or inaccuracies in the data and for the publication of reliable data the drafts of the publications are checked in the next superior statistical agency.
- (5) Every year after the end of the year the Central Statistical Board of the USSR publishes in the newspapers detailed results of the progress of the annual plan for the last year for all industries and culture with the time-lag in 23-28 days. The similar publications are done by Local Statistical Agencies about progress of the plan in their Republics, regions and districts.
- (6) The State Planning Commission of the USSR and the Central Statistical Board publish together the results of the progress of the Five Year Plan of the development of the USSR with the time-lag in 3 - 3½ months (in april). The similar results are published by the Statistical Boards of Union Republics about the development of economy and culture in their respective Republics.
- Annual Reports:- We have already showed the situation with current reporting. In the USSR, each factory and office must submit annual reports. Central Statistical Board of the USSR and corresponding Ministries in agreement with State Planning Commission of the USSR prepare and approve usually in August the forms of the annual reports and instructions for their preparation. Approximately lag the middle of October the schedules of annual reports and instructions are published by the Statis-

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tical Publishing House for all factories and offices and sends them to them. In December when these forms of annual reports and instructions are received and studied by the accounting personnel and statisticians of the factories, the personnel of the agencies of Government Statistics briefs them, Before this the personnel of the local agencies of government statistics are briefed in their superior agencies. By January 25 (this date is established by the Government) all factories, projects and primary offices finish the preparation of annual reports and send them to the addresses established by the government of the USSR. Beginning with this the processing of annual report starts in agencies of government statistics. It is finished by June or July.

Annual reports give in more detail different aspect of activities of factories and offices and give valuable information for studying the conditions and development of economy and culture of the country, for preparation of perspective plans, for preparation and publication of statistical annual hand books .

Census and Surveys:-

In the USSR besides returns, another source of statistical information is Censuses and surveys. They are carried out in more or less longer intervals. The Census deals with matter for which there is no necessity of systematic reporting system, They are carried out by specially organised enumeration system e.g. census of population, census of small industries, census of non-completed projects, census of cattle and so on. The surveys differ from the census in the respect that they use the data of reporting and inventory e.g. the occupational distribution of workers, distributions of workers, period of work in the factory, survey of the balance of metals according to the different categories and other materials in the factory, project and so on.

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A Census covers all the territory of the country, a great number of factories, offices and organisations and in necessary cases private property of the population. Besides the census limited in time. In connection with this high criteria are established for the organisation of the census. The census uses a. enumerators and instructors a great number of personnel e.g. the census of cattle which is carried out annually uses hundreds of workers, employees and collective farmers. That is why a good choice of the investigators and the controllers is one of the most important pre-requisites for a successful census. Detailed organisational plans are prepared for the census e.g. census of population, besides general organisational plan there are organisational plans for each town and district. In towns and urban localities lists of households are prepared for each block. Each investigator and instructor have definite local buildings and households. Because of this organisation of the census it is impossible to have omissions of some buildings or flats and this provides the accuracy of the census.

The important peculiarity for the USSR has the census of balances of raw material and materials and census of equipment. These censuses are carried out in a very short time and that is why they are called a rapid census. The prepared schedules of the census and instructions are sent directly to the factories. Factories after completing the enumeration report of the census the results by telegram according to established pattern Central Statistical Board and at the same time send by mail the schedules. The processing of the data is carried out at the Central Machine Calculating Station, all this gives a possibility to have the results of the census in 3 - 4 weeks after its beginning for the whole national economy. All the census and surveys are carried out in accordance with the decisions of the Government of the USSR.

Sample Surveys: In the USSR, especially during the last few

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years, sample surveys are widely used e.g. regularly 46000 family budgets are surveyed. Out of this 15000 families of workers, 2,600 families of engineering personnel of industry 1,300 families of employees of industry, 0.700 families of teachers, 700 families of doctors and assistant doctors, 26000 families of peasants. The family budget surveys are carried out regularly and continuously from month to month during the whole year by special staff of the central Statistical Board.

With the help of sampling methods we study for example the problem of utilisation of certain types of equipment, utilisation of working day, the workers, certain factors influencing the productivity of labour etc.

Plan of statistical work:- The Central Statistical Board annually approves plan of statistical works which should be suggested by agencies of government statistics. The lists of returns are the basis of the preparation of the plan of statistical works are because in these lists the time of reporting is shown. In the plan, the completion of certain work is shown for each level (local inspecting agencies of the Central Statistical Board Statistical Boards of the Union Republics, regions and districts and the Central Statistical Board) which is based on the received returns or censuses. The progress of the fulfilment of the plan of the statistical works as well as other plans in the USSR is controlled by the registration date of the submitting the summary reports of the lowest level in the higher level of the statistical agencies.

III. The cooperation of the agencies of government statistics with planning agencies:

Upto 1930 Central Statistical Board existed as a separate agency. It carried out a number of big statistical studies and organised current statistics. By that time the volume of the work of the Central Statistical Board increased greatly, but in the work of the Central Statistical Board at that time there were many shortcomings. In the field

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of industrial statistics the main shortcoming of the work of the Central Statistical Board was the delay with the publication of returns. Certainly these data were not of operational value for planning. The increase of the planned direction of the national economy and of the role of the statistics for national planning dictated close contact of the Central Statistical Board with the Planning Commission of the USSR. In connection with this in January 1930 the Central Statistical Board was transformed into a sector of national economic accounting of the State Planning Commission of the USSR. This experience of organic merging statistics and planning gave some favourable results. The State Planning Commission of the USSR agreed the indicators of the plan and statistics which had often discrepancies before. The statistical personnel directly participated in the work of the control of the progress of the plan of national economy. However, this merging of statistics with State Planning Commission led to weakening the attention to the main statistical work, violations in the sphere of current statistics of uniform methods, because there was no centralised statistical system. The crucial changes in the economy of the USSR demanded the accounting and statistics. In these conditions in May 1951 the Government passed a decision "about organisation of accounting and statistical work" and in the same year the sector of national economic accounting of the State Planning Commission of the USSR was re-organised into the Central Department of the national accounting under State Planning Commission of the USSR which was one of the departments of the State Planning Commission of the USSR. In 1932 the net work of the local and town inspecting agencies was created. In 1941 this department got the name of the Central Statistical Board of the State Planning Commission of the USSR. The existence of the Central Statistical Board in the State Planning Commission of the USSR upto 1948 gave a number of favourable results. The Central Statistical Board of the State Planning Commission of the USSR always knew the work of the State Planning Commission its requirements and based

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the work in accordance with the tasks of the State Planning Commission of the USSR. The Director of the Central Statistical Board was Deputy Chairman of the State Planning Commission of the USSR. During this time the Central Statistical Board gained great experience of operational work for control of the fulfilment of government plans.

In accordance with the continuous development of the economy of the USSR and with the increase of the complexity of the planning work and requirements of the government administration for the statistics, the Central Statistical Board came out of the State Planning Commission of the USSR in 1948 and was re-organised in the Central Statistical Board under Council of Ministers of the USSR.

The contact of the Central Statistical Board with the State Planning Commission of the USSR is very close. The work of the agencies of government statistics continues to be for the requirements of planning. We already showed the close contact between the Central Statistical Board and State Planning Commission of the USSR in the field of methodology.

The Central Statistical Board timely submits to the State Planning Commission of the USSR annual reports according to all forms of government reporting.

The Central Statistical Board prepares according to the programme established by the government and submits in the established intervals to the State Planning Commission of the USSR statistics which is the basis for the preparation of the government plans. The Central Statistical Board also participates in the discussions of the draft plans and on the basis of analysis of the statistics available in the Central Statistical Board shows the balances different industries.

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Along side with the collection and processing statistics the Central Statistical Board carries out the work of an economic analysis of statistics, reveals shortcomings in the work of the industries in the fulfilment of the plan, finds additional non-utilised resources in the national economy and thus helps the State Planning Commission of the USSR to improve planning, and use these reserves for clarification existing plans or for preparation of plans for future..

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by
A. ZELENOVSKY

*Attachment
No. II*

Dr. Ezhov gave in detail the organisation of statistics in the USSR. In this note special attention will be drawn to some problems of statistics as the basis for planning and as a tool for the control of the progress of the plan.

1. Without studying some other conditions necessary for planning, it is necessary to point out that planning without statistics is impossible. It is impossible to begin the preparation of any plan either current or perspective without a reliable statistical basis. It is impossible to have the qualified operational direction of the planned economy and control the progress of the plan without corresponding data of accounting and statistics. The correctness of the plans themselves is checked in the course of their progress. Statistics shows the progress of the fulfilment of the plan in concrete figures. That is why it is important that this data should be complete, accurate and timely.

2. One of the main requirements for the plan and statistics is that the indicators of the plan and accounting were comparable. Before determining the list of indicators of the plan, it is necessary to know about the availability of the data. If there is no data then there will be additional list of indicators according to the indicators given in the plan. If the plan includes certain indicators then it is obligatory in our case to provide these indicators with reporting returns. That is why while determining the indicators of the plan the State Planning Commission agrees them with the Central Statistical Board and the Central Statistical Board in its turn agrees with the State Planning Commission, forms of statistical accounting because the State Planning Commission is interested in them. The example of the close contact of the agencies of statistics with planning agencies may be the fact that in the past for about 18 years the agencies of statistics were under the direct control

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of the State Planning Commission of the USSR. During this period big work was carried out for reaching the comparability of the indicators of the plan and statistics. Irrespective of an organisational form, existing in a certain period the planning and statistical agencies in their day to day work were very closely connected with each other.

3. Before the preparation of any plan (annual or perspective) the analysis of the original level of the development of national economy during the planned period are done. Determining the main tasks of the plan and detailed targets for certain industries are based on the analysis of the reached level of the economic development and of the available economic and technical possibilities for the further growth. For this a preliminary work is carried out in the analysis of the fulfilment of the targets and the indicators of the plan for the reported period. Studying the favourable and unfavourable factors affecting the progress of the plan it is possible to determine the possibilities for the future economic development in the planned period and point out shortcomings which should be eliminated.

In determining the achieved level of the development in the field of economy and culture of the country, the Central Statistical Board the work of which is based on the work of local agencies, submit ~~the information~~ to the planning agencies information which characterises the progress of the plan, the necessary data about the growth of the economy and culture about availability of resources in the national economy and their utilization and report about relations which are created in the economy in the process of the fulfilment of the plans. For the annual plans for the forthcoming year, it is necessary to estimate properly the expected fulfilment of the plan of the current year. Because the plan for the next year is prepared usually 3-4 months before the end of the current year i.e. when there is no complete results of the economic activities for the current year the planning agencies usually estimate the expected fulfilment on the basis of the current statistics about the

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progress of the plan for 6-8 months received from the statistical agencies, and as far as the rest 4-5 months are concerned they estimate the possibilities of the fulfilment of the plan on the basis of the real conditions of the production. It is necessary to add that in the forms prepared for draft plans which are submitted for approval to the Government, the submission of the date of the plan is envisaged in certain dynamics for the past period. For example in the draft plan for 1958 the following form is used for the main indicators:

Indicators of the plan	Unit	Report for 1956.	Report for 1957 According to plan fulfilment	1958 (Draft Plan)
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It is seen that the form has the columns for the information which may be received from the corresponding statistical agencies.

4. It follows from the above said, that from the very beginning of the planning that is beginning with the determination of the indicators of the plan as well as the analysis of a economic level in the year before the plan period and estimating expected progress of the plan for the current year, the planning agencies can't work without detailed statistics. But the most important role of the government statistics of the USSR is the role of a tool of control of the progress of the plan. The control of the progress of the plan in our country is of great importance because it is a component part of planning. The preparation of the plan is only the beginning of the plan. The planned direction of economy develops in the process of control of the plans at the factories, projects, state farms and other organisations. The prepared and approved plan is not considered in the Soviet Union as a dogma which cannot be changed. On the contrary a plan especially for a long ^{period} (perspective plan) may be clarified, changed and improved on the basis of control of its progress as a result of which additional resources for its fulfilment are found. The control of the progress of the plan is an important evidence of the planned direction of the economy. A well organised control of the progress of the plan increases the government discipline,

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allows to prevent timely possible under-fulfilment of the plans and take in a operational manner additional steps for providing fulfilment of the plan. A well organized control of the progress of the plan allows to find shortcomings in the planning itself and improve on this basis the organisations and methods of planning.

One of the most important instruments of the control of the progress of the plan is the government statistics of the USSR. The uniform system of accounting is the basis for the preparation of the plan as well as for the control of its progress. For this statistics should be accurate and submitted to the corresponding agencies without delays. In our country statistics are submitted by all factories, projects, state farms and other organisations in the established coverage and intervals. In these conditions statistics is used effectively for the control of the progress of the plan.

In order to control systematically the progress of the plan the State Planning Commission of the USSR and planning agencies of the republics along side with the data received from the Central Statistical Board and its statistical agencies use also statistics received from ministries and departments. Ministries usually have more detailed reports about the work of their enterprises and organisations. They use these data for their operational control of the work of their factories and establishments. For example, Ministry of Railways of the USSR has well organized accounting and necessary means of communications for the rapid collection for the centre of reports. As a result, this Ministry in 5-6 hours after the end of a working day has summarized data about loading and unloading of cargo by the railways which cover a vast territory of our country. Then in the total number of loading the main categories of cargo are shown. These data in a summarized form are sent to all interested offices, particularly in the State Planning Commission and Central Statistical Board of the USSR on the second day. Similar situation exists with other Ministries and departments.

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With the decision about improvement of the organisation of administration of industry and construction which was carried out in our country in 1957 instead of Ministers which directed the different branches of economy, now we have geographical principle of directions of industry and construction. For this purpose, economic councils are organised in economic administrative regions. This re-organisation demanded a great change in perspective and current planning. The planning and control of the progress of the Plan in a Union Republic and in economic and administrative regions are of utmost importance. This procedure of planning gives a possibility of better utilisation of rich resources of our country, provides more equal distribution of industries in the regions and improves the decisions in the complex development of certain economic regions. This re-organization provides close contact of the management of economy ^{with} the factories and projects and also gives a possibility to have a close contact with local authorities. As ^a result of this, it became also possible to take into consideration the proposals of local agencies at the stage of the preparation of the plans and at the stage of the control of their progress. In connection with this the situation also changed as far as accounting and statistics are concerned about which more details are given in the lecture by Dr. Ezhov.

It is necessary to point out that in our country the submitting of statistics by factories, projects and other organisations to the corresponding agencies of statistics or Ministries is not connected with the publication of these data. The question what is published and in what intervals is decided separately and it does not affect the timely submitting of statistics to the higher agency for the operational control and in the agencies of statistics for processing. That is also important as it was stated above for the control of the progress of the plan. Then one typed copy of the corresponding data may be sent.

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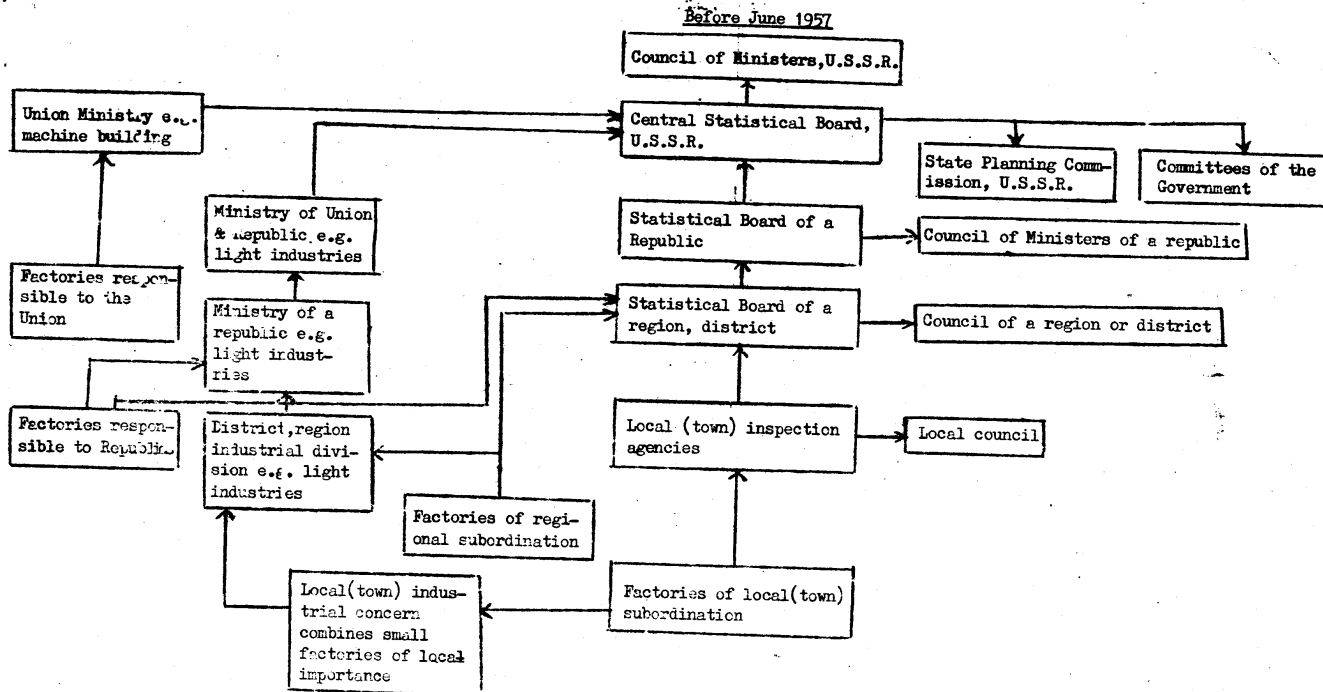
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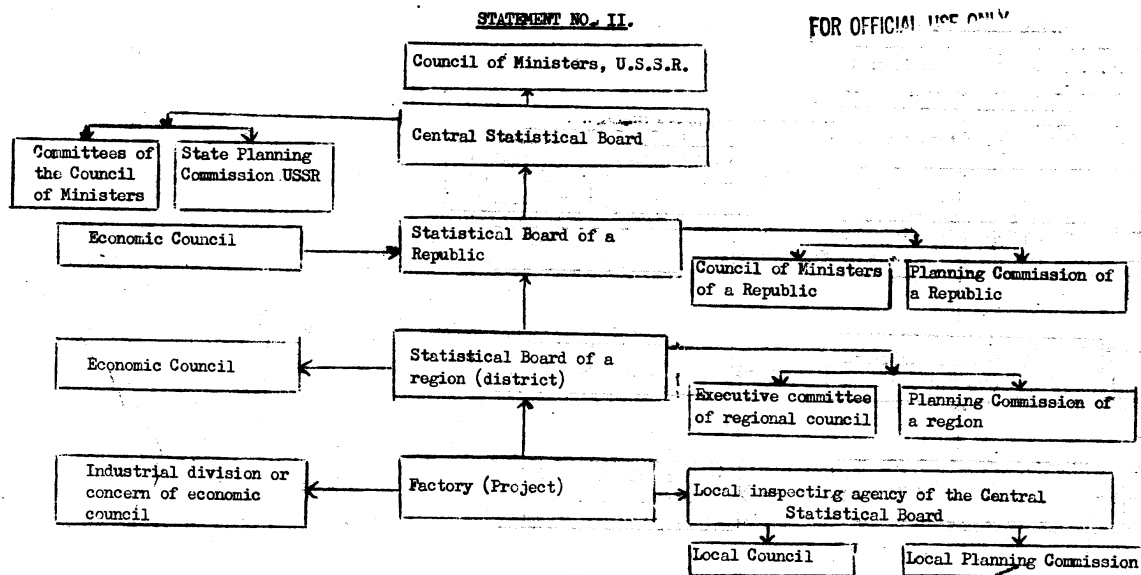
It is necessary to point out that in the USSR before we reached this state of statistics, we passed a long path of development. In the past we had such periods when the lack of a reliable statistical basis was an obstacle for planning. It took much time till the State Planning Commission got the necessary statistical basis for planning.

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